

June 8, 2005



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April 26, 2005

Commissioner Carlos A. Gimenez
Miami-Dade County Commission
Stephen P. Clark Center
111 N.W. 1st Street, Suite 220
Miami, Florida 33128

Re: South Florida Regional Transportation Authority Operating Budget and Future Plans

Dear Commissioner Gimenez:

The South Florida Regional Transportation Authority (SFRTA) is pleased to address questions raised during the Miami-Dade Regional Transportation Committee (RTC) meeting held on April 14, 2005. Specifically, the RTC requested information relative to SFRTA/Tri-Rail operating budget and ridership and SFRTA's future plans and benefits to Miami-Dade County. SFRTA appreciates this opportunity and our working relationship with Miami-Dade County and looks forward to on-going collaboration and coordination as we advance transportation projects to better address mobility in Miami-Dade County and the region as a whole.

SFRTA/TRI-RAIL OPERATING BUDGET DEFICIT

SFRTA has undertaken an aggressive program of projects (Double Track Corridor Improvement Program) to expand commuter rail service in South Florida by running morning and afternoon rush-hour trains at 20-minute headways. The greater frequency in service will help relieve South Florida's congested highways while providing improved connectivity and a seamless transit experience.

Specifically, in fiscal year 2004-05, SFRTA/Tri-Rail operating budget increased as a result of increased service. SFRTA/Tri-Rail was able to add two (2) additional weekday trains for a total of 32 daily weekday trains as a result of double tracking construction progress.

Beginning in March 2006, SFRTA/Tri-Rail will initiate 20-minute service or 48 daily weekday trains as compared to 32 daily weekday trains that is currently in operations. This planned service increase has resulted in the need for additional funds to assist with the financing of the SFRTA/Tri-Rail projected operating budget. As such, starting in fiscal year 2006-07, SFRTA/Tri-Rail projected operating need from each county will be \$4.2 million. Thereafter, the SFRTA/Tri-Rail operating need is projected to be within the customary transportation indexing range of two to four percent annually.

SFRTA/Tri-Rail's 5-year operating (attached) and long range operating plans have been submitted to each of the counties Metropolitan Planning Organizations (MPO) and transit agencies for programming along with the Florida Department of Transportation (FDOT).

SFRTA recognized that the increase from the minimum of \$1.565 million as required by the current SFRTA legislation to \$4.2 million starting in fiscal year 2006-07 will create some budgetary constraint for all. As such, SFRTA has proposed legislation to secure a dedicated source of funds for both capital and operating in an attempt to relieve the counties of this obligation.

SFRTA/TRI-RAIL RIDERSHIP IN MIAMI-DADE COUNTY

Of the 34.5 million passengers transported via the SFRTA/Tri-Rail system since inception, in excess of 9.2 million passengers or 27% originate in Miami-Dade County.

- In calendar year 2004, SFRTA/Tri-Rail has transported in excess of 2.8 million passengers of which 742,051 passengers or 26.3% those passengers originated in Miami-Dade County.
- In excess of 700,000 passengers transfer from the SFRTA/Tri-Rail system to the Miami-Dade Transit Metrorail system annually.
- SFRTA/Tri-Rail average daily ridership increased by 20.4 percent even with the impact of poor on-time performance as a result of the double track construction efforts.

BENEFITS TO MIAMI-DADE COUNTY

Over the last 16 years, Miami-Dade County has contributed \$16.4 million to assist in the funding of SFRTA/Tri-Rail's Operating Budget. However, SFRTA/Tri-Rail has provided approximately \$10.2 million to Miami-Dade County for feeder service and capital rebate. This results in a net contribution from Miami-Dade County to SFRTA/Tri-Rail of approximately \$6.2 million or an average of \$389,520 per year over the last 16 years.

- Return on Investment: Over the last five years, Broward, Miami-Dade and Palm Beach counties have jointly contributed \$43 million to the operating and capital costs of SFRTA. During this same period, SFRTA was able to secure approximately \$448 million in State and Federal funds which is in excess of a 10 to 1 return on local funds.
- Capital Investment: SFRTA/Tri-Rail has invested approximately \$86.4 million in capital infrastructure improvements in Miami-Dade County. Such investments include: Upgrading of the South Florida Rail Corridor through the double-tracking rail program; the construction and renovations of four stations: Miami Airport, Metrorail, Opa Locka and Golden Glades; and investments in the future Miami Intermodal Center (MIC).
- Service Based Jobs: SFRTA's Administrative Facilities is currently located in Broward County; however, SFRTA/Tri-Rail's customer service center is currently based in Miami-Dade County and employs over a dozen employees. In addition, SFRTA/Tri-Rail's contract operator, Herzog Transit Service, is also based in Miami-Dade County and employs over 110 employees.

SFRTA FUTURE PLANS FOR MIAMI-DADE COUNTY

In May 2002, the United States Department of Commerce formally established what many people in South Florida already knew: based on the 2000 U.S. Census, it defined the tri-county region of Miami-Dade, Broward and Palm Beach Counties as a single urbanized area. South Florida immediately became the fifth (5th) largest, metropolitan area in the United States. As the 5th largest urbanized area in the country, SFRTA is working with the counties to ensure we speak as "One Voice" in Washington as we seek to maximize federal discretionary funding to South Florida.

According to the most current U.S. Census Bureau data available, many South Floridians live in one county and commute daily to work in another. The most significant movement across county lines is between Miami-Dade and Broward Counties (175,000) and 275,000 workers traveling within the tri-county region. This cross-county line commuting movement is actually the tenth highest in the country. The estimated population projections provide for a continued pattern of overlapping commuting and economic activity within the Tri-County region.

SFRTA believes that public transportation facilities and transportation corridors are "natural focal points for communities" for economic and social activities and help create strong neighborhood centers that are made economically stable, safe, and productive. As such SFRTA is working with Miami-Dade County to either directly advance and/or collaborate on several of the county's transportation projects which together with the projects in Broward and Palm Beach Counties will provide for a seamless network or regional transit systems that will move people, goods and services quickly and efficiently and fulfill our vision to "provide greater mobility in South Florida, thereby improving the economic vitality and the quality of the community, region and state".

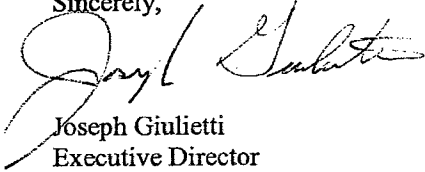
SFRTA is fully aware of the need for additional funds to advance projects of regional significance and in particular the issues facing Miami-Dade County. As previously mentioned, SFRTA has proposed legislation for a dedicated funding source, if approved, would yield funds to support the SFRTA/Tri-Rail operations which would save each county approximately \$163 million over a 20-year period. Those funds can be used to finance other county projects.

Furthermore, the proposed legislation would provide funding whereby the SFRTA would be able to assist with the local match necessary to leverage additional state and federal dollars in an effort to expedite the build-out of rapid transit systems in Miami-Dade County. Those rapid transit projects which are part of the regional transit network in Miami-Dade County could include the Northeast Corridor along the FEC, Miami Bay Link Light Rail, and the Kendall Corridor as outlined in the Miami-Dade MPO Long Range Transportation Plan. The RTA stands ready to assist the County on other projects such as the North Corridor and East-West. In addition, from time to time, the RTA has been asked to look at utilization of existing rail infrastructure within Miami-Dade County and we welcome those discussions and strategies with the County.

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SFRTA representatives will be prepared to provide a brief overview of the future plans for the RTA, specifically as it relates to Miami-Dade County.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joseph Giuliatti".

Joseph Giuliatti
Executive Director

Enclosures

cc: Mr. Allen Harper
Commissioner Barbara M. Carey-Shuler, Ed.D.